

**IN THE UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF MISSOURI
WESTERN DIVISION**

UNITED STATES OF AMERICA,

Plaintiff,

-vs-

Case No.: 09-00024-01-CR-W-HFS

HPI PRODUCTS, INC.,

Defendant.

James R. Hobbs
1000 Walnut Street - Suite 1600
Kansas City, MO 64106
(Retained)

Terry J. Satterlee
2555 Grand Boulevard
Kansas City, MO 64108
(Retained)

JUDGMENT IN A CRIMINAL CASE

The defendant pleaded guilty to Count 1 and 2 of the Information on 01/27/09. Accordingly, the court has adjudicated that the defendant is guilty of the following offense(s):

<u>Title & Section</u>	<u>Nature of Offense</u>	<u>Date Offense Concluded</u>	<u>Count Number(s)</u>
42 U.S.C. 6928(d)(2)	Illegal storage of hazardous waste.	May 1, 2007	1
33 U.S.C. 1319(c)(2)(A) & 1317(d)	Discharge of a pollutant without a permit.	2005	2

The defendant is sentenced as provided in the following pages of this judgment. The sentence is imposed pursuant to the Sentencing Reform Act of 1984.

IT IS ORDERED that the defendant shall notify the United States attorney for this district within 30 days of any change of name, residence, or mailing address until all fines, restitution, costs and special assessments imposed by this judgment are fully paid. If ordered to pay restitution, the defendant shall notify the court and United States attorney of any material change in the defendant's economic circumstances.

Date of Imposition of Sentence: January 14, 2010

/s/ Howard F. Sachs
HOWARD F. SACHS
SENIOR UNITED STATES DISTRICT JUDGE

March 24, 2010

PROBATION

The defendant is hereby placed on probation for a term of **5 years** on Counts 1 and 2, to run concurrently with each other.

While on probation, the defendant shall not commit another federal, state, or local crime.

The defendant shall not unlawfully possess a controlled substance. The defendant shall refrain from any unlawful use of a controlled substance. The defendant shall submit to one drug test within 15 days of placement on probation and at least two periodic drug tests thereafter, as determined by the court.

If this judgment imposes a fine or restitution, it is a condition of supervision that the defendant pay in accordance with the Schedule of Payments sheet of this judgment.

The defendant must comply with the standard conditions that have been adopted by this court as well as with any additional conditions on the attached page.

STANDARD CONDITIONS OF SUPERVISION

1. The defendant shall not leave the judicial district without the permission of the court or probation officer;
2. The defendant shall report to the probation officer and shall submit a truthful and complete written report within the first five days of each month;
3. The defendant shall answer truthfully all inquiries by the probation officer and follow the instructions of the probation officer;
4. The defendant shall support his or her dependents and meet other family responsibilities;
5. The defendant shall work regularly at a lawful occupation, unless excused by the probation officer for schooling, training, or other acceptable reasons;
6. The defendant shall notify the probation officer **at least ten (10) days prior** to any change in residence or employment;
7. The defendant shall refrain from excessive use of alcohol and shall not purchase, possess, use, distribute, or administer any controlled substance or any paraphernalia related to any controlled substances, except as prescribed by a physician;
8. The defendant shall not frequent places where controlled substances are illegally sold, used, distributed, or administered;
9. The defendant shall not associate with any persons engaged in criminal activity and shall not associate with any person convicted of a felony, unless granted permission to do so by the probation officer;
10. The defendant shall permit a probation officer to visit him or her at any time at home or elsewhere and shall permit confiscation of any contraband observed in plain view by the probation officer;
11. The defendant shall notify the probation officer within **seventy-two (72) hours** of being arrested or questioned by a law enforcement officer;
12. The defendant shall not enter into any agreement to act as an informer or a special agent of a law enforcement agency without the permission of the court;
13. As directed by the probation officer, the defendant shall notify third parties of risks that may be occasioned by the defendant's criminal record or personal history or characteristics, and shall permit the probation officer to make such notifications and to confirm the defendant's compliance with such notification requirement.

ADDITIONAL CONDITIONS OF PROBATION

The defendant shall also comply with the following additional conditions of probation:

1. The defendant organization shall pay any fine balance on the schedule set by the Court.
2. Within 30 days from the date of this judgment, the defendant organization shall designate an official of the organization to act as the organization's representative and to be the primary contact with the probation officer.
3. The defendant organization shall answer truthfully all inquiries by the probation officer and follow the instructions of the probation officer.
4. The defendant organization shall notify the probation officer ten days prior to any change in principal business or mailing address.
5. The defendant organization shall permit a probation officer to visit the organization at any of its operating business sites.
6. The defendant organization shall notify the probation officer within 72 hours of any criminal prosecution, major civil litigation, or administrative proceeding against the organization.
7. The defendant organization shall not dissolve, change its name, or change the name under which it does business unless this judgment and all criminal monetary penalties imposed by this court are either fully satisfied or are equally enforceable against the defendant's successors or assignees.
8. The defendant organization shall not waste, nor without permission of the probation officer, sell, assign, or transfer its assets.
9. The defendant organization is required to comply with all terms of any environmental permit, order, law, or regulation of any local, state, or federal agency.

ACKNOWLEDGMENT OF CONDITIONS

I have read or have had read to me the conditions of supervision set forth in this judgment and I fully understand them. I have been provided a copy of them.

I understand that upon finding of a violation of probation or supervised release, the Court may (1) revoke supervision, (2) extend the term of supervision, and/or (3) modify the conditions of supervision.

Defendant

Date

United States Probation Officer

Date

CRIMINAL MONETARY PENALTIES

The defendant must pay the total criminal monetary penalties under the schedule of payments set forth in the Schedule of Payments.

Total Assessment

\$800.00

Total Fine

\$300,000.00

Total Restitution

\$

The mandatory special assessment of \$800.00 shall be due immediately. (Mandatory special assessment paid in full on January 14, 2010.)

A fine of \$150,000.00 on each count is imposed for a total of \$300,000.00. A lump sum payment of the full amount is ordered due immediately. If unable to pay the full amount immediately, the defendant shall make monthly payments of \$5,000.00 while on supervision.

Since the Court has determined the defendant does not have the ability to pay interest, any interest is waived during the period of probation. Thereafter, interest shall be payable as on an unpaid judgment.

Note: Findings for the total amount of losses are required under Chapters 109A, 110, 110A, and 113A of Title 18, United States Code, for offenses committed on or after September 13, 1994 but before April 23, 1996.